

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: SLW-10

(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-92/04/21-0218

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on July 27, 1992 and recorded at Deed Book 396, Page 63 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on July 30, 1992, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Pocahontas Gas Partnership, (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated September 8, 1992 disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated August 31, 1994 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii)

whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interest as part of its Affidavit of Election. A copy of which is attached hereto.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, Virginia 24651, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 28th day of December 1994, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 20th day of December, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett
Susan G. Garrett
Notary Public

My commission expires 7/31/94

DONE AND PERFORMED this 20th day of December 1994 by Order of this Board.

Byron T. Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 20th day of December, 1994, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Pocahontas Gas Partnership for Forced Pooling of Interests in Unit Number SLW-10, VGOB Docket No. 92/04/21-0218 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF Pocahontas Gas Partnership (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc. and assigned to Pocahontas Gas Partnership, the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on July 27, 1992, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on July 30, 1992.
5. That the Designated Operator, Pocahontas Gas Partnership, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.
6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia;

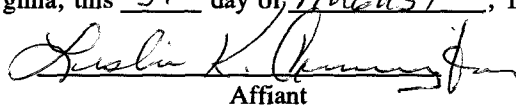
SEE ATTACHED ESCROW SHEET

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

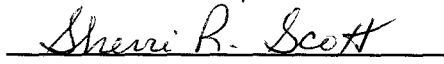
Yukon Pocahontas Coal Company, et al - Leased
Island Creek Coal Company - Owned
Ernest Keen Heirs - Leased
Ralph Keen - Leased
Cabot Oil & Gas Corporation - waiver of no interest
Oxy USA, Inc. - Owned

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.;

Dated at Bluefield, Virginia, this 31ST day of AUGUST, 1994.


Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Pocahontas Gas Partnership, a corporation, on behalf of the corporation, this 31 day of August 1994.

My commission expires: 11/30/95

Notary

POCAHONTAS GAS PARTNERSHIP
SLW-10 Unit
183,379 Acres

Wells Located Within this Unit CBM-PGP-129, CBM-PGP-130, CBM-PGP-131, CBM-PGP-131D

TRACT OWNER/LESSEE NAME	MAP TRACT ID.	ACRES	% UNIT	CONTROL				CONSOLO DOCKET #	CONOCO DOCKET #	TYPE INTEREST			CONFLICTING CLAIM	
				OWNED	LEASED	ADVERSE	PERCENT			FREE	COAL	OIL & GAS	YES	NO
Coal Mountain Mining Company**	81,82,82A	28,091	14.004		28,091		100	708-004						
Coal Mountain Mining Company**	83,84,85,86,87,88	28,307	14.346		28,307		100	708-004						
Coal Mountain Mining Company**	89,90,91,92	24,204	13.190		24,204		100	708-004						
Coal Mountain Mining Company**	94,95,96	20,42	11.135		20,42		100	708-004						
Coal Mountain Mining Company**	93,95	73,966	40.335		73,966		100	708-004						
Coal Mountain Mining Company**	96E	1,02	0.556		1,02		100	708-004						
Coal Mountain Mining Company**	92A,92B	1,831	0.969		1,831		100	708-004						
Yukon Pocahontas Coal Company**	96B,96C	7,17	3.91		7,17		100	708-011						
Yukon Pocahontas Coal Company**	96A	1,57	0.856		1,57		100	708-011						
TOTAL		183,379	100		183,379		100							
OIL & GAS FEE OWNERSHIP														
Coal Mountain Mining Company**	81	28,034	14.197		28,034		100	708-285						
Coal Mountain Mining Company**	82	0,779	0.425		0,779		100	708-285						
Coal Mountain Mining Company**	82A	0,078	0.043		0,078		100	708-285						
Coal Mountain Mining Company**	83	16,288	8.882		16,288		100	708-285						
Coal Mountain Mining Company**	84	2,238	1.22		2,238		100	708-285						
Coal Mountain Mining Company**	85	2,4	1.309		2,4		100	708-285						
Coal Mountain Mining Company**	86	1,683	0.921		1,683		100	708-285						
Coal Mountain Mining Company**	87	1,387	0.759		1,387		100	708-285						
Coal Mountain Mining Company**	88	2,306	1.258		2,306		100	708-285						
Coal Mountain Mining Company**	89	0,483	0.263		0,483		100	708-285						
Coal Mountain Mining Company**	90	6,02	3.283		6,02		100	708-285						
Coal Mountain Mining Company**	91	1,932	1.064		1,932		100	708-285						
Coal Mountain Mining Company**	92	15,769	8.599		15,769		100	708-285						
Yukon Pocahontas Coal Company**	94	10,17	5.55		10,17		100	708-492						
Yukon Pocahontas Coal Company**	95D	0,56	0.3		0,56		100	708-492						
Coal Mountain Mining Company**	93	72,325	39.44		72,325		100	708-285						
Coal Mountain Mining Company**	95	1,041	0.565		1,041		100	708-285						
Garden Realty Corporation	96E	1,02	0.556		1,02		100	708-098						
Ernest Kern Heirs	96A	1,426	0.778		1,426		100	708-375						
Paul Kern	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-378						
Ralph Kern	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-378						
Arnold Kern	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-378						
Ruby Hale	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-377						
Anna B. Lambert	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-378						
Arvin McCowan	92A	0,237,966,969	0.129,966,969		0,237,966,969		100	708-378						
Ralph Kern	92B	0,405	0.221		0,405		100	708-381						
Yukon Pocahontas Coal Company**	96B	5,07	2.765		5,07		100	708-192						
Yukon Pocahontas Coal Company**	96C	2,1	1.145		2,1		100	708-192						
Yukon Pocahontas Coal Company**	96A	1,57	0.856		1,57		100	708-192						
TOTAL		183,379	100.001		183,379		100.001							

**Total to be escrowed with the Virginia Escrow Agent due to conflicting claims: 23,271 acres - 12.960%

***Total to be paid (no conflicting claim) - 160,108 acres - 87.31%

****Total to be escrowed with the Virginia Escrow Agent due to being unleased and/or conflicting claim - 1.57 acres - 0.856%

e:\SLW\10.WK1

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 28th day of December, 1921. M.
Deed Book No. 731 and Page No. 48.
Returned this date to: Dane Davis TESTE: James M. Bevin, Jr., Clerk
TESTE: [Signature] Deputy Clerk

3157

CLERK'S OFFICE CIRCUIT COURT
HARRISBURG COUNTY, VIRGINIA
This 28th day of Nov, 1994
at 4:21 o'clock P. M.
Recorded Deed Book Page
039 State Tax
213 County Tax
212 Transfer
301 Recording
038 State Tax 15.00
220 Local Tax
145 VSIF
Total 14.00
Teste James M. Bewins, Jr., Clerk 14.00
By AT D.C.

Diana Davis